GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2836
ANSWERED ON:17.12.2008
SUBSIDY ON FOOD PRODUCTS
Ramadass Prof. M;Sharma Shri Madan Lal

Will the Minister of FINANCE be pleased to state:

(a)whether the government provides subsidy on food products;

(b)if so, the details thereof;

(c)whether Government proposes any change in the existing subsidy; and

(d)if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI PAWAN KUMAR BANSAL)

(a),(b),(c)and(d):The Government does not provide subsidy on food products. However, food subsidy is provided to Food Corporation of India, which is responsible for procurement and distribution of wheat and rice under the Targeted Public Distribution System (TPDS) and other welfare schemes and to maintain buffer stock of food grains as a measure of food security. Further, food subsidy is provided to States which have undertaken the responsibility of procuring foodgrains from within the State and distribute the same to the targeted population under TPDS and other welfare schemes. The quantum of money spent during the last three years and budget estimates including First Supplementary Demands for Grants for 2008-09 is given below:

Explicit Food Subsidy of the Central Government (Rupees crore)

	2005-06 (Provisional Actuals)	2006-07 (BE+ First Supplementary)	2007-08	2008-09
Food Subsidy	23077	24014	31328	37731

Source:1.Expenditure Budget Volume I .

2.Controller General of Accounts, Ministry of Finance.